

Tarrant County Texas

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SUBSURFACE EASEMENT AGREEMENT

10568309

STATE OF TEXAS *

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KNOW ALL MEN BY THESE PRESENTS

COUNTY OF TARRANT *

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Electronically Recorded
Chesapeake Operating, Inc.

This Subsurface Easement Agreement ("Agreement") is made and entered into as of the date herein specified by and between **S&SP Properties, Ltd., a Texas limited partnership**, 1320 S. University Drive, Suite 701, Fort Worth, Texas 76107, ("Grantor") and **Chesapeake Exploration, L.L.C., an Oklahoma limited liability company**, P.O. Box 18496, Oklahoma City, Oklahoma 73154 ("Grantee") and **TOTAL E&P USA, INC., a Delaware corporation** whose address is 1201 Louisiana, Suite 1800, Houston, TX 77002.

WHEREAS, Grantor holds and owns the property described as follows:

Tract I:

Being a portion of Block 2, Santa Fe Industrial Addition, now known as Block 2, Lot 2A3B1, Santa Fe Industrial Addition, an Addition to the City of Fort Worth, Tarrant County, Texas, Recorded in Volume 388-D, Page 83, Deed Records, Tarrant County, Texas, situated in the Thomas McCanne Survey, Abstract No. 1033, Tarrant County, Texas, as conveyed to S&SP Properties, L.T.D. in County Clerk's File No. D202243667, Deed Records, Tarrant County, Texas and being more particularly described by metes and bounds as follows:

Commencing at a 1" pipe found at the right-of-way intersection of Pafford Street A (62' R-O-W) and Lubbock Street (60' R-O-W);

Thence South 89°55'00" West, along the South Right-of-Way line of Pafford Street A (62' R-O-W), a distance of 674.87 feet to the point of beginning;

Thence South 00°05'00" East, leaving said South right of way line, a distance of 310.00 feet to a fence post found;

Thence South 89°55'00" West, a distance of 260.66 feet to a ½ inch iron rod, set with a plastic cap marked "RPLS 5544";

Thence North 00°05'00" West, a distance of 310.00 feet to a ½ inch iron rod set with a plastic cap marked "RPLS 5544";

Thence North 89°55'00" East, along the aforesaid South right of way a distance of 260.66 feet to the point of beginning and containing 1.855 acres of land, more or less.

Tract II:

A portion of Lot 6, Block 2, Santa Fe Industrial Addition, an Addition to the City of Fort Worth, Tarrant County, Texas, according to Plat recorded in Volume 388-49, Page 71, Plat Records, Tarrant County, Texas.

Tracts III and IV:

Lots 2A3 and 2A4, Block 2, and 0.079 unplatted acres situated in the Santa Fe Industrial Addition, now known as Lot 2A3A1 and Lot 2A4, Block 2, Santa Fe Industrial Addition, an unrecorded Addition to the City of Fort Worth, Tarrant County, Texas, situated in the Thomas McCanne Survey, Abstract No. 1033, City of Fort Worth, Tarrant County, Texas, and being more particularly described in Deed dated August 28, 2002 between Trinity Industries, Inc. and Structural and Steel Products Manufacturing, Ltd. filed of record in Instrument Number D202243667 in the Tarrant County, Texas Clerk's Office, Tarrant County, Texas.

NOW, THEREFORE, WITNESSETH:

That S&SP Properties, Ltd., hereinafter referred to as Grantor, for and in consideration of the sum of Ten Dollars and other valuable consideration in hand paid to Grantor, receipt of which is hereby acknowledged, does by these presents GRANT, BARGAIN, AND CONVEY unto Chesapeake Exploration, L.L.C., hereinafter referred to as Grantee, a subsurface easement and right-of-way to provide Grantee ingress to and egress from, and the right to use and occupy, the subsurface of the Subsurface Tract for a wellbore or wellbores to drill across, through and under the subsurface of the Subsurface Tract.

Grantee, at its sole cost and expense, shall comply at all times with all applicable federal, state and local laws, rules, regulations and safety standards in connection with Grantee's activities hereunder.

Grantee, its successors and assigns, shall and hereby does indemnify and hold harmless Grantor, its officers, directors, agents, contractors, servants, employees, successors and assigns, from and against all liability, damages, suits, actions, costs and expenses of whatsoever nature (including reasonable attorneys' fees) to persons or property caused by or arising out of any of Grantee's operations hereunder or otherwise relating to the subsurface easement and right-of-way, except where such claims result from the acts, omissions and negligence of Grantor, its officers, directors, agents, contractors, servants or employees.

This subsurface easement and right-of-way shall terminate automatically upon actual abandonment. Actual abandonment shall occur at any time that either Grantee provides Grantor with a written notice of abandonment or at such time that the subsurface easement and right-of-way is no longer used for the purposes granted herein for a continuous period of two years. In the event of termination, Grantee, its successors and assigns, shall execute and deliver to Grantor a written release in recordable form.

It is understood and agreed that this agreement is a subsurface easement and right-of-way only and in no way grants or conveys any part of the underlying fee simple estate of any lands owned by Grantor.

Notwithstanding the use of the terms "grant" and "convey" hereinabove set forth, Grantor does not warrant the title to the subsurface easement and right-of-way herein conveyed unto the Grantee.

Any notice provided or permitted to be given in this agreement must be in writing and may be given by depositing the notice in the United States mail, postage prepaid, certified with return receipt requested, and addressed to the party to be notified. Notice deposited in the mail in the foregoing manner shall be deemed received five (5) days after it is so deposited, excluding Sundays and Postal holidays. Notice given in any other manner shall be effective only if and when actually received by the party to be notified. For purposes of notice the addresses of the parties shall be as follows until changed as herein provided:

GRANTOR:
S&SP Properties, Ltd.
1320 S. University Dr., Suite 701
Fort Worth, TX 76107

GRANTEE:
Chesapeake Exploration, L.L.C.
P.O. Box 18496
Oklahoma City, OK 73154
ATTN: Henry Hood

Either party, by notifying the other party hereto in the manner provided in this paragraph, may designate a different address for receipt of subsequent notices.

The person and officer signing below on behalf of Grantor represents and warrants that Grantor has full right and authority to execute this agreement and that the person signing below on behalf of Grantor was authorized to do so.

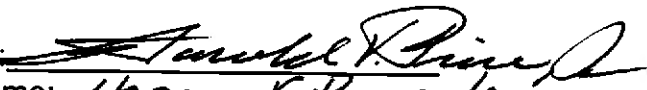
This agreement and all terms, provisions and obligations hereof shall be covenants running with the land affected hereby and shall inure to the benefit of and be binding upon Grantor and Grantee and their respective heirs, legal representatives, executors, administrators, agents, servants, employees, contractors, successors and assigns.

This agreement may be executed in multiple counterparts all of which when taken together shall constitute a single agreement with the same force and effect as if all parties had signed the same copy of this agreement.

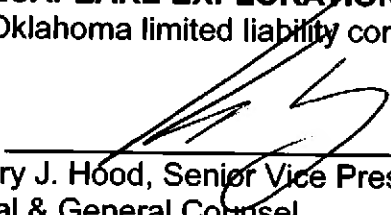
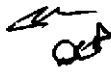
This grant contains all of the agreements between the parties with respect to the subject matter hereof, and no prior representations or statements, verbal or written, have been made modifying, adding to or changing the terms of the agreement. No amendments, modifications or revisions hereof shall be effective unless made in writing and signed by the parties hereto.

EXECUTED and effective as of the date of the notarial acknowledgment of the Grantor's execution.

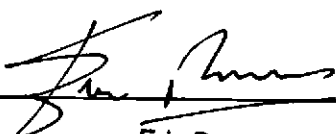
S&SP PROPERTIES, LTD. - GRANTOR

By: 
Name: Harold V. Price, Jr.
Title: PARTNER

CHESAPEAKE EXPLORATION, L.L.C. – GRANTEE
an Oklahoma limited liability company

By:  
Henry J. Hood, Senior Vice President – Land
Legal & General Counsel

TOTAL E&P USA, INC., a Delaware corporation

By: 
Name: Eric Bonnin
Title: Vice President, Business Development & Strategy 